

Boulder Energy Future

Open House
Oct. 10, 2016



Agenda



- 1. Why Municipalization?**
- 2. Latest PUC Filing**
- 3. Separation Plan and Transition Period**
- 4. Municipalization and our Climate Commitment**
- 5. Financial Overview**
- 6. Timeline and Next Steps**

Why Municipalization?



Boulder has a strong legacy of climate action and environmental concern.



Energy efficiency programs were highly successful, but won't go far enough to reach GHG reduction goals.



GHG reduction only possible if we rapidly change our fuel source.

Project Timeline



**Franchise
Agreement Expires**

**Charter
requirements
approved by voters**

**Voters approve
executive sessions**

**City files
supplemental
application to PUC**

2010

2011

2013

2014

2015

2016

**Voters approve
Utility Occupation
Tax to replace
Franchise Fee**

**Voters approve
\$214 M limit on
acquisition**

**City files first
separation
application to the
PUC**

PUC Filing



- **Filed Sept. 28**
- **Boulder proposes a complete separation from Xcel's system**
- **Boulder will serve all in-city customers, Xcel will serve all county customers**
 - **Two exceptions: Boulder Reservoir out-buildings and Cherryvale OSMP office**
- **Transition period**
- **Power supply**

Separation & Transition



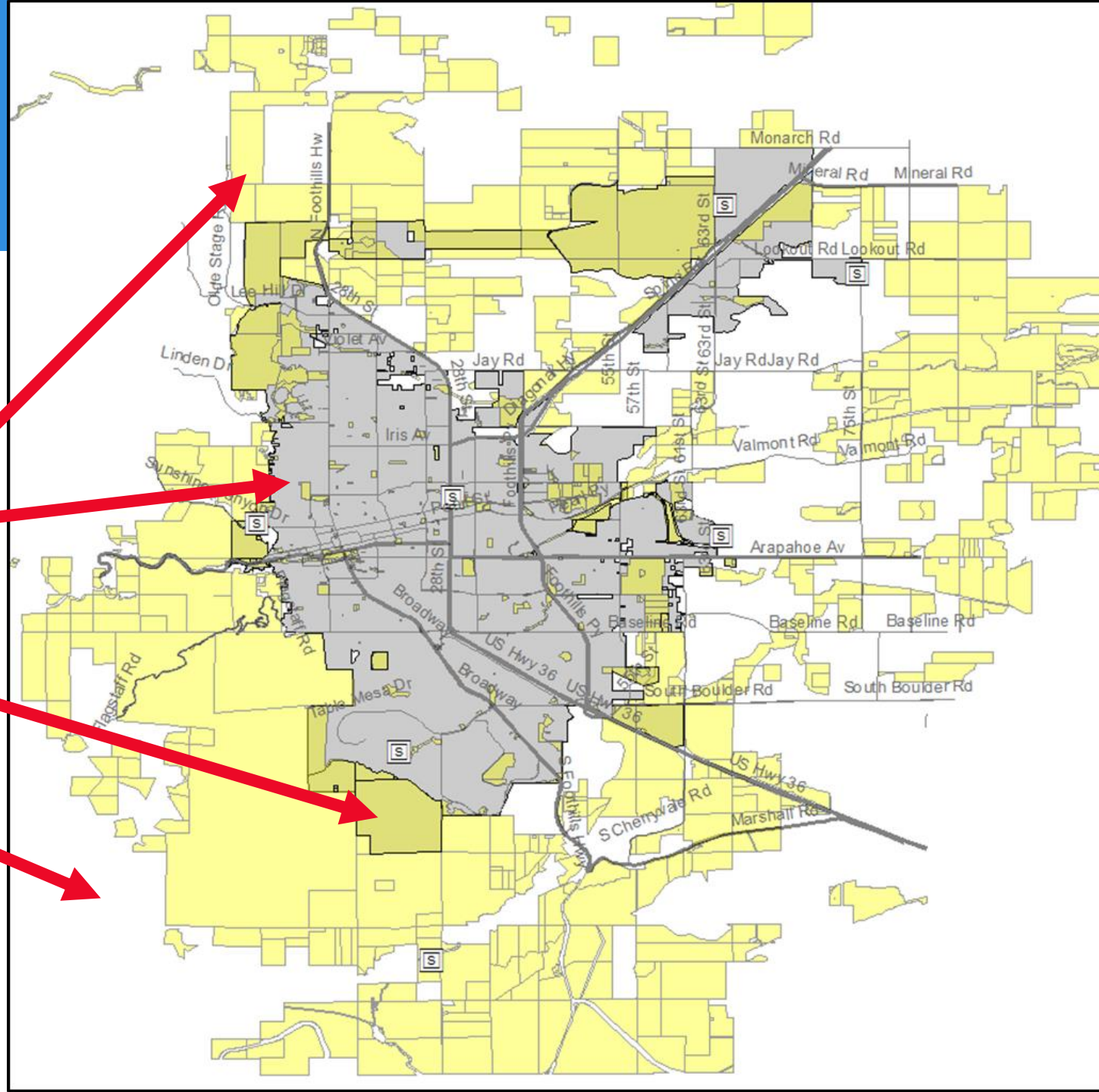
Separation Plan Goals

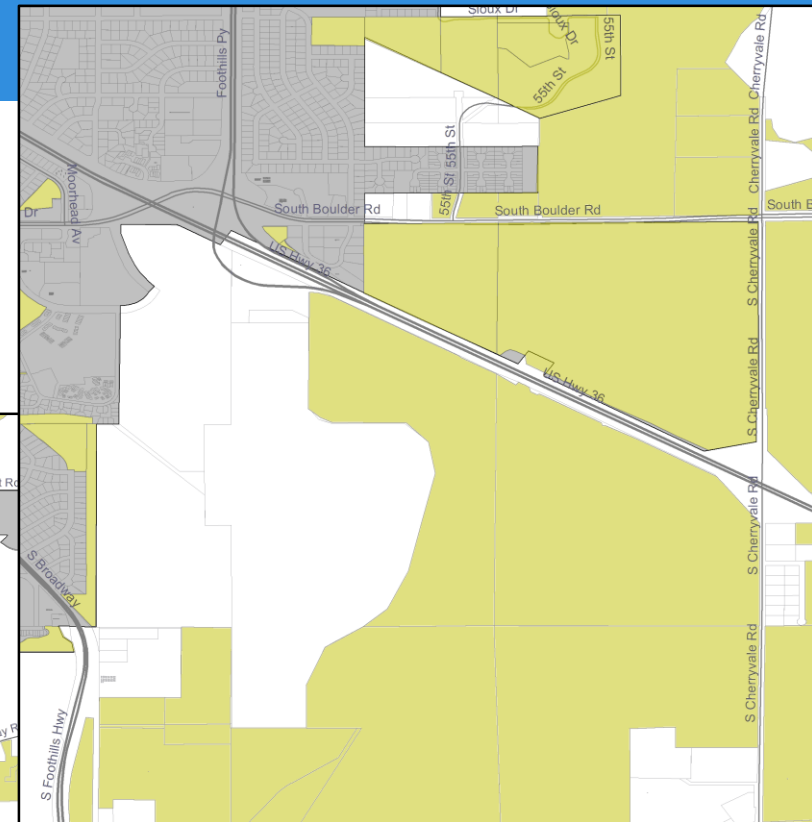
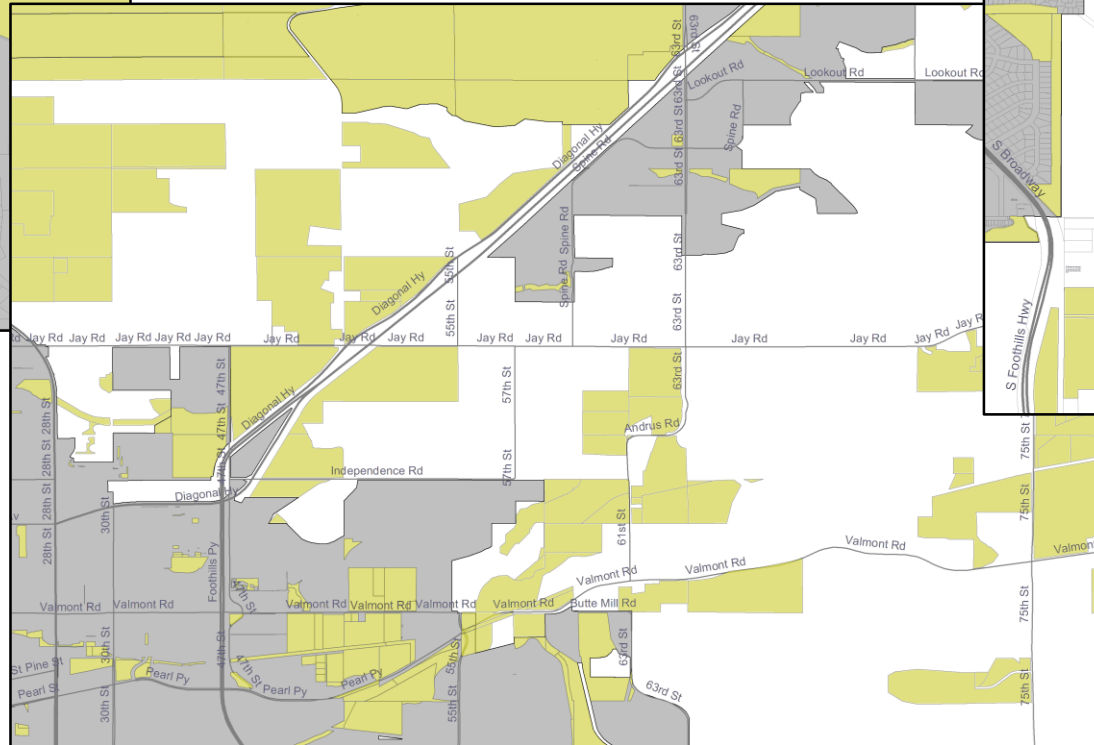
- The city will serve all customers within city limits with city-owned facilities
- Xcel will serve all customers outside city limits with Xcel-owned facilities
- The City will not acquire facilities used to serve only Xcel customers
- Reliability for both systems must be maintained or improved
- Both systems must be capable of being operated safely and reliably
- The separation plan is consistent with sound engineering practices and industry standards

Service Territory

KEY

- Yellow: OSMP Land (city-owned)
- Grey: City
- Dark Yellow: In-city OSMP
- White: Boulder County





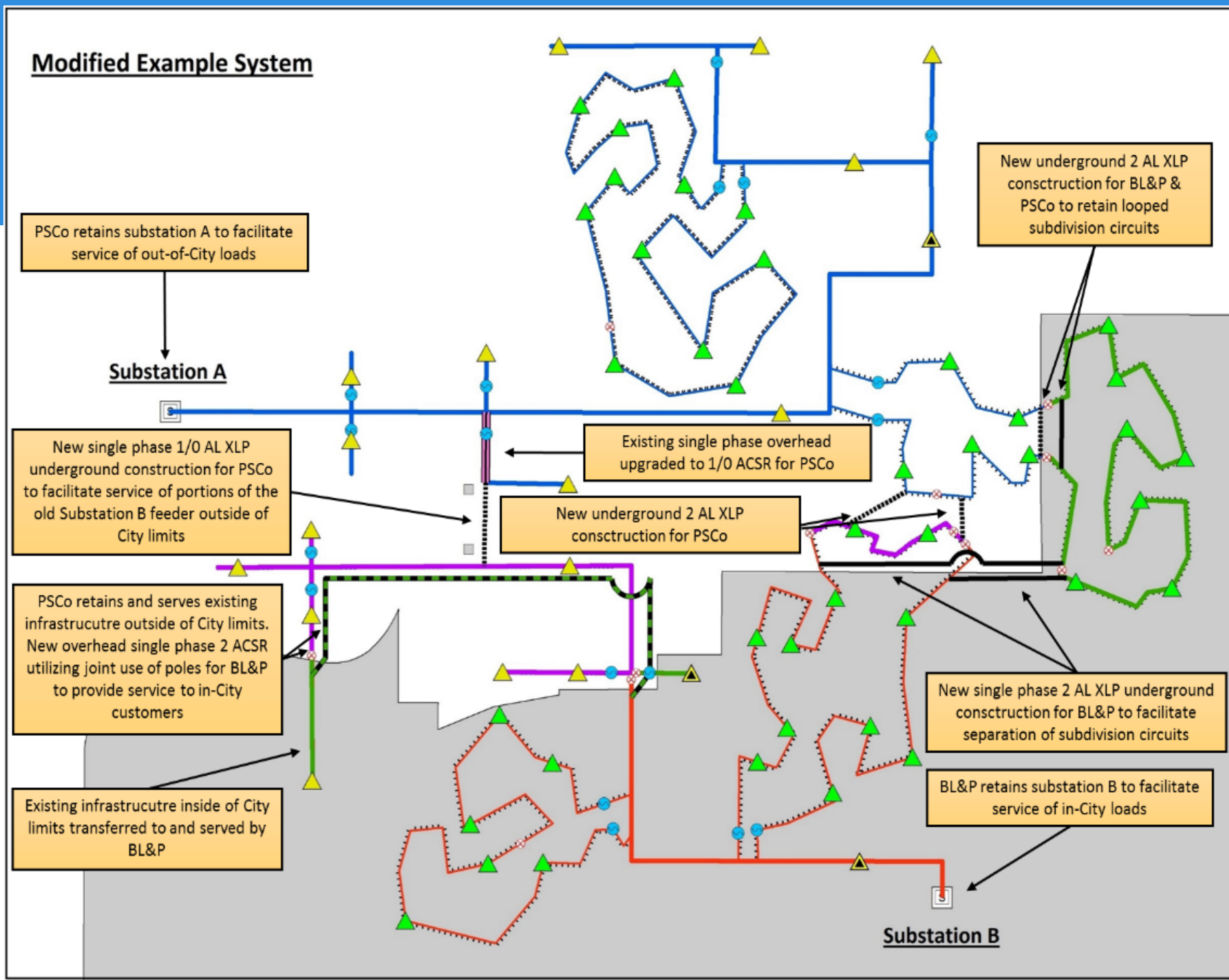
Separation & Transition



Transition Period

- **\$53 M in construction costs**
 - Reliability improvements
 - All reconfiguration will use existing poles or will be underground
- **Until separation is complete, Xcel will operate system; City will operate customer service and billing**

Examples



Muni & Climate Commitment



Can we achieve our goals?

- **Transition Plan**
 - Gradual step-down of power from Xcel
- **Local control and customer choice**
- **Economic vitality**

Proposed Clean Electricity Goals

	2020	2030	2050
Renewables	35%	100%	100%
Local Generation	50 MW	100 MW	175 MW
Emission Reduction in Electricity Sector (Below 2005 Levels)	25%	60%	80%

The background of the slide is a photograph of a city at night, with numerous lights from buildings and streets visible. In the foreground, a large, dark metal power transmission tower stands prominently, its structure silhouetted against the city lights. The overall color palette is dominated by deep blues and purples, with the city lights providing a warm, yellowish-orange glow.

Cities, Climate Change & Energy: *The Big Realization*

**There's more at stake than emissions
reduction**

ECONOMIC VITALITY: Where do our energy dollars go?

BOULDER

RESIDENTS, BUSINESSES AND LOCAL GOVERNMENT
SPEND **\$279 MILLION** ON FOSSIL FUELS **EVERY YEAR**



INVESTING \$279M IN BOULDER'S CLEAN ENERGY FUTURE COULD FUND...

SOLAR POWER ON
17,600 BUILDINGS



PURCHASING 13,900 ZERO
EMISSION ELECTRIC VEHICLES



REPLACING NATURAL GAS
APPLIANCES IN 23,200 HOMES
WITH CLEAN ENERGY ALTERNATIVES



SOURCES

Boulder's 2012 Energy Usage Dollar Value report
U.S. Energy Information Administration
Xcel Energy

Other sources and full methodology available at
www.carbonneutralcities.org



2016 Solar Home Panels

Locked-In Electricity for 20+ Years Big Tax Break, No Upfront Money



Front Range flunks on air-quality group's ozone report card

By: DAN ELLIOTT, Associated Press • April 20, 2016 • Updated: April 20, 2016 at 5:51 pm



Caption +

DENVER — The Colorado Front Range got failing grades on ozone pollution, and Western Slope counties didn't do much better, an annual report card on air quality said Wednesday.

The Front Range got all Fs from Colorado Springs through Greeley and Fort Collins, the American Lung Association's State of the Air 2016 report said.

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If you live in Boulder County, the air you breathe is

Ozone



Particle Pollution



Financial Overview



- **Developing a new financial forecast tool**
- **Staff is developing the tool to assist the council in deliberating and making decisions on the electric utility effort.**
- **Updating assumptions and inputs**
- **It appears that a municipal utility is financially feasible based on the information we have today**
- **Staff anticipates a release of the financial forecast tool later this year**

Timeline and Next Steps



- **Legal Process**
 - City filed Application and supporting testimony on September 28, 2016
 - Public testimony with highly confidential attachments
 - PUC will have up to 300 days to rule on our application
 - Assuming Boulder's plans are approved, city will likely enter into a condemnation process to acquire the assets
- Take ownership of system in early 2018 (Day 1)
- Two-to-three year transition period
- City's system completely separated from Xcel's (Day 2)

Breakout Stations



- 1. Separation Plan Overview (Video)**
- 2. Separation and Transition**
- 3. Climate Commitment and Renewable Energy**
- 4. Next Steps, What's Ahead**